DECLARATION OF AHMAD J. LABABIDI

I, Ahmad J. Lababidi, declare as follows:

- 1. I have personal knowledge of the facts as stated herein. If called to testify, I would and could competently testify thereto.
- 2. I am a Defendant in this action. Both my wife, Fariha Alhassen and I are students. We decided to start a website to sell some products to help us fund our college education.
 - 3. We purchased and resold goods. We did not make any goods
- 4. Unfortunately, we had no idea that the product, a cell phone case, with the Chanel label on it was pirated by a manufacturer in China. We purchased the product from the manufacturer and were repeatedly told that they had a license to manufacture the product.
- 5. We received a cease and desist letter from Chanel and <u>immediately</u> stopped selling the product.
- 6. Additionally, upon receipt of the lawsuit, we retained a lawyer to respond to the Complaint and try and reach a settlement with Chanel. We believed that we were on track to settle, when Chanel ceased negotiations.
- 7. We did not willfully or intentionally infringe on Chanel's Trademark. We also in the future will not do so. It was a mistake.
- 8. I am submitting this declaration concerning the relief sought and damages claimed by Chanel. My wife and I of course agree to an injunction and